

**MINUTES OF REGULAR MEETING
OF BOARD OF DIRECTORS OF LOCKWOOD
WATER AND SEWER DISTRICT**

June 12, 2024

Call to Order:

The regular meeting of the Lockwood Water and Sewer Board of Directors was held on June 12, 2024. Board President Carl Peters called the meeting to order at 7:00 p.m. in the Lockwood Water and Sewer District Office, 1644 Old Hardin Road, Billings, Montana 59101.

Introductions:

Present at the meeting were Board members Carl Peters, Scot Bowen, Brent Kober, LWSD Manager Mike Ariztia and Assistant Manager Tony Reed. Board member Carlotta Hecker was absent. Representing Morrison-Maierle was Engineer Stephanie Seymanski.

Public Comment:

1. Any member of the public may be heard on any subject that is not on the agenda. There were no comments.

Approval of Minutes:

2. May 8, 2024

The minutes of the May 8, 2024 meeting were presented for review and approval. Corrections were noted as follows:

Page 2, Item 6:	RCSI should be RSCI
Page 3, Item 7:	State Revolving Fun should be State Revolving Fund
Page 3, Item 8:	Pay raises should be pay ranges .

- I. Brent Kober moved to approve the May 8, 2024 minutes with the corrections as set forth above. Scot Bowen seconded the motion. Motion carried.

New Business:

3. Resolution No. 185 – fiscal year 2025 Sewer Planning Budget

The Fiscal Year 2025 Sewer Planning Budget was presented to the Board for review and approval.

RESOLUTION NO. 185

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 12th day of June, 2024, at the District office located at 1644 Old Hardin Road, Billings Montana.

The following Resolution was adopted by the Board of Directors:

RESOLUTION: Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Sewer Planning Budget for fiscal year 2025 be approved in the amount of \$30,000.00 **(2025 Planning Budget with Cash Flow Analysis attached.)**

II. Brent Kober moved to adopt Resolution No. 185, the Sewer Planning Budget for fiscal year 2025, in the amount of \$30,000.00. Scot Bowen seconded the motion. Motion carried.

4. Resolution No. 186 – fiscal year 2025 Sewer Operations Expense Budget

The Fiscal Year 2025 Sewer Operations Expense Budget was presented to the Board for review and approval.

RESOLUTION NO. 186

RESOLUTION: Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Fiscal Year 2025 Sewer Operations Budget for fiscal year 2025 be approved as represented in the attachments to this Resolution entitled “Proposed 2025 LWSD Sewer Operations Expense Budget” (page 1), with supporting exhibits entitled 2025 Forecasted LWSD Sewer Income” (page 2), “Proposed 2025 LWSD Capitalization Budget.” The Sewer Operations Expense Budget for Fiscal Year 2025 therefore be approved in the amount of \$2,032,598.00 and the Fiscal Year 2025 LWSD Capitalization Budget be approved in the amount of \$1,222,987.00. Total: \$3,255,585.00.

III. Scot Bowen moved to adopt Resolution No. 186, Fiscal Year 2025 Sewer Operations Expense Budget, \$2,032,598.00; 2025 Forecasted LWSD Sewer Income, and Fiscal Year 2025 Capitalization Budget, \$1,222,987.00. Total: \$3,255,585.00. Brent Kober seconded the motion. Motion carried.

The Fiscal Year 2025 Water Operations Expense Budget was presented to the Board for review and approval.

RESOLUTION NO. 187

A meeting of the Board of Directors of the Lockwood Water and Sewer District was held on the 12th day of June, 2024, at the District office located at 1644 Old Hardin Road, Billings, Montana.

The following Resolution was adopted by the Board of Directors:

RESOLUTION: Be it ordained by the Board of Directors of the Lockwood Area/Yellowstone County Water and Sewer District (LWSD) that the Fiscal Year 2025 Water Operations Expense Budget and the Fiscal Year 2025 Water Capitalization Budget for Fiscal Year 2025 be approved as represented in the attachments to this Resolution entitled “Proposed 2025 LWSD Water Operations Expense Budget” (page 1), with supporting exhibits entitled “2025 Forecasted LWSD Water Income” (page 2), “Proposed 2025 LWSD Capitalization Budget” (page 3). The Water Operations Expense Budget for Fiscal Year 2025 therefore be approved in the amount of \$2,084,889.00, the Fiscal Year 2025 LWSD Capitalization Budget approved in the amount of \$3,933,750.00. Total: \$6,018,639.00.

IV. Scot Bowen moved to adopt Resolution No. 187, Fiscal Year 2025 Water Operations Expense Budget in the amount of \$2,084,889.00, 2025 Forecasted LWSD Water Income, and Fiscal Year 2025 LWSD Capitalization Budget in the amount of \$3,933,750.00, Total: \$6,018,639.00. Brent Kober seconded the motion. Motion carried.

6. **Resolution No. 184 – Authorization of submission of an MCEP Planning Grant Application to conduct a Water Master Plan/Preliminary Engineering Report.**

RESOLUTION NO. 184

Authorization to Submit MCEP Infrastructure Planning Grant Application

WHEREAS, Lockwood Water and Sewer District is applying to the Montana Department of Commerce for financial assistance from the Montana Coal Endowment Program (MCEP) to prepare a drinking water Preliminary Engineering Report (PER);

WHEREAS, Lockwood Water and Sewer District agrees to comply with all State laws and regulations and the requirements described in the MCEP Administrative Guidelines & Application for Infrastructure Planning Grants specifically, and those that will be described in the MCEP Project Administration Manual generally;

WHEREAS, Lockwood Water and Sewer District commits to provide the amount of matching funds as proposed in the MCEP application.

WHEREAS, Lockwood Water and Sewer District commits to provide any funding from other grant sources listed in the application budget if not awarded by those grant sources; and

That Carl Peters, President, is authorized to submit this application to the Montana Department of Commerce, on behalf of Lockwood Water and Sewer District, to act on its behalf and to provide such additional information as may be required.

- V. Scot Bowen moved to adopt Resolution No. 184, Authorization to Submit MCEP Infrastructure Planning Grant Application to the Montana Department of Commerce. Brent Kober seconded the motion. Motion carried.

7. Approval of contract with Nittany Grantworks for the preparation and submission of a Montana Coal Endowment Program (MCEP) planning grant application to conduct a Water Master Plan/Preliminary Engineering Report and for the preparation and submission of a State Revolving Fund Loan (SRF) Uniform Application for the Phase 3 Water System Improvements

A proposal was received from Nittany Grantworks to provide project development and grant application preparation services to LWSD. The services will assist the District in preparing and submitting (1) a planning grant application to MCEP for the Water PER, and (2) a Uniform Application to SRF to replace water mains to the Phase 3 wastewater project. Fee not to exceed \$2,000.00.

- VI. Scot Bowen moved to approve Nittany Grantworks' proposal to prepare a MCEP planning grant application and a Revolving Fund (SRF) Application for Phase 3 Water System Improvements; fee to not exceed \$2,000.00. Brent Kober seconded the motion. Motion carried.

8. Approval of Task Order No 24 to the Water Master Agreement to prepare a Water Master Plan/Preliminary Engineering Report

Morrison-Maierle presented Task Order No. 24 covering MMI's preparation of a 2025 Water Master Plan/Preliminary Engineering Report, not to exceed \$100,000.00.

VII. Brent Kober moved to approve Task Order No. 24 for preparation of a 2025 Water Master Plan/Preliminary Engineering Report, in an amount not to exceed \$50,000.00 for Phase 1 preliminary tasks, and \$50,000.00 for Phase 2 final tasks, for a total of \$100,000.00. Scot Bowen seconded the motion. Motion carried.

9. Request from Superior Construction, Inc. to extend District facilities for Sanctuary Canyon Phase 2. The proposed extension would install water mainlines, services and fire hydrants to service a maximum of 12 lots

A Request was received from Superior Construction to extend LWSD's water mainline through Sanctuary Canyon consisting of 12 lots. The mainline extension will connect to the Mid-Zone of the District's system consisting of 800 feet of 8-inch diameter PVC pipe.

VIII. Scot Bowen moved to approve Superior Construction's request to extend the water mainline through Sanctuary Canyon consisting of 12 lots. The mainline extension to connect to the Mid-Zone of the District's system consisting of 800 feet of 8-inch diameter PVC pipe. Brent Kober seconded the motion. Motion carried.

10. Discussion on submission of a Community Block Grant (CDBG) application

The Board discussed obtaining a Community Block Grant from CDBG. Manager Ariztia reported the county held a public hearing two weeks ago to ask if there was an interest in applying for the CDBG Grant. The County receives one CDBG grant application to submit. Manager Ariztia attended the County Commissioners' meeting wherein he advised the Commissioners of the Phase 3 project to bring sewer to the residents of Lockwood and advised them that Lockwood needed further financial help to reach that goal. No decision was made at this time. Lockwood will be put on the next discussion agenda. One requirement will probably be the taking of an income survey.

11. Water Treatment Plant Expansion Update

The landscaping contractor is currently trying to find and repair old lines and cleaning up the area. RSCI continues to work on completing the punch list items, and will be replacing a portion of the sidewalk that was damaged. RSCI has submitted change orders for various items which are being reviewed.

12. Phase 3 Sewer Project Update

Manager Ariztia advised he is still working on obtaining easements. At the meeting next Thursday, the Yellowstone County Commissioners will be asked if they are willing to contribute funds to do a full-width road overlay as they did previously.

13. MDT Update

A meeting was held this week with MDT. At a minimum, Lockwood needs to get its sewer main located and run under the interstate. Lockwood has been working with Yellowstone County, the TEDD Board, and Big Sky Economic Development to construct a bore under the freeway with three force mains. It appears that County received conditional approval for an EDA grant. One obstacle is EDA does not like rules that permit comingling federal funds. MDT is federally funded and EDA is federally funded. MDT is paying 75% of Lockwood’s costs to relocate its facilities that are specific to this project which raises questions regarding financing. Further options will be explored.

14. Letter of Interest for vacant LWSD Board position

Tabled until July meeting.

15. Balance Sheets, P&L Budget Comparison

Water – May, 2024: Claim Details; Trial Balance with Revenue and Expenditures; Statement of Revenue Budget vs. Actuals; Budget vs. Actual Report for Organization Report.

Sewer – May, 2024: Claim Details; Trial Balance with Revenues and Expenditures; Statement of Revenue Budget vs. Actuals; Budget v. Actual for Organization Report;

16. Approval of Bills Due for Signature

IX. Brent Kober moved to approve payment of the bills as set forth on the May Water and Sewer Fund Claim Details. Scot Bowen seconded the motion. Motion carried.

Other Business:

None.

Manager’s Report:

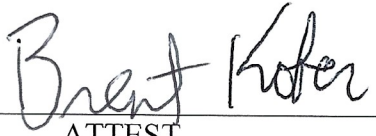
17. Pumping Record

Water:	May, 2023	31,566,900	May, 2024	29,836,354
Wastewater	April, 2023	5,440,000	April, 2024	4,526,000
Par Montana	April, 2023	53,027,000	April, 2024	50,374.000

Adjournment:

- X. Scot Bowen moved to adjourn. Brent Kober seconded the Motion. Motion carried.

There being no further business to come before the Board, the meeting was adjourned at 8:15 p.m.



ATTEST
Brent Kober



ATTEST

Scot Bowen

Scot Bowen